

## Message Text

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ACTION EUR-12

INFO OCT-01 IO-13 ISO-00 AGRE-00 AID-05 CEA-01 CIAE-00  
COME-00 EB-08 FRB-03 INR-07 NSAE-00 SP-02 STR-05  
TRSE-00 LAB-04 SIL-01 OMB-01 /063 W  
-----022746 130645Z /12

R 121811Z DEC 77  
FM AMEMBASSY BONN  
TO SECSTATE WASHDC 3930  
USDA/FAS WASHDC  
INFO AMEMBASSY BRUSSELS  
AMEMBASSY COPENHAGEN  
AMEMBASSY DUBLIN  
AMEMBASSY LONDON  
AMEMBASSY LUXEMBOURG  
AMEMBASSY PARIS  
AMEMBASSY ROME  
AMEMBASSY THE HAGUE  
USMISSION GENEVA

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USEEC, USMTN ALSO FOR EMBASSY  
DEPARTMENT PASS AGRICULTURE  
E.O. 11652: N/A  
TAGS: EAGR, GW  
SUBJECT: EC AG PRICE PROPOSALS

1. IN ORDER TO TRY TO INFLUENCE FRG PRICE DECISIONS,  
THE GERMAN FARMERS' UNION (DBV) SUBMITTED A REPORT  
ON THE INCOME SITUATION FOR GERMAN FARMERS. REPORT,  
WHICH WAS PRESENTED BY DBV PRESIDENT HEEREMAN  
SHOWED A 15 PERCENT DECLINE IN 1976-77 NET PER CAPITA  
INCOME ON 14,533 SAMPLE FARMS DERIVING ALL THEIR  
INCOME FROM AGRICULTURE. THE LOSSES ARE ATTRIBUTED  
PRIMARILY TO THE 1976 DROUGHT, THE EFFECTS OF WHICH  
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ARE CLAIMED TO HAVE BEEN MUCH MORE SERIOUS THAN  
PREVIOUSLY ESTIMATED. GERMAN MINAG HAS COMMENTED THAT  
THE DBV IS PAINTING A DIMMER PICTURE THAN WARRANTED.  
MINAG HAS RAISED QUESTIONS CONCERNING THE FARMS  
SAMPLED AND STATED THAT THEY ARE NOT REPRESENTATIVE  
FOR FRG AGRICULTURE IN GENERAL.

2. RECENT DISCUSSIONS WITH MINAG OFFICIALS INDICATE THAT THE FRG WILL LIKELY GO ALONG WITH THE SMALL INCREASE IN AGRICULTURE PRICES PROPOSED BY THE EC COMMISSION. THE TWO PERCENT AVERAGE AG PRICE INCREASE PROPOSED BY THE EC COMMISSION WOULD MEAN ONLY ABOUT A .9 PERCENT INCREASE ON AVERAGE FOR FRG AGRICULTURE (TAKING INTO ACCOUNT A ONE PERCENT REVALUATION OF THE GREEN DM). AGATT FEELS FRG WILL PROBABLY AGREE TO AN OVERALL AG PRICE INCREASE OF ABOUT ONE PERCENT BUT WILL RESIST VERY STRONGLY EC PROPOSALS FOR A SEVEN-YEAR TRANSITIONAL PHASE OUT OF THE MONETARY COMPENSATORY AMOUNTS (MCAS). THE FRG IS NOT AGAINST THE IDEA OF AN "ANNUALLY NEGOTIATED" PHASING OUT OF THE MCAS, BUT IS STRONGLY OPPOSED TO ANY AUTOMATIC SCHEME FOR AN MCA PHASE OUT.  
STOESSEL

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AGRICULTURAL PRODUCTION, COMMODITIES, PRICES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 12-Dec-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977BONN20586  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** ALSO FOR USMTN  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770462-1093  
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**Litigation Codes:**  
**Litigation History:**  
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**Message ID:** 0b993806-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
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**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 275620  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** EC AG PRICE PROPOSALS  
**TAGS:** EAGR, GE, EEC  
**To:** STATE AGR MULTIPLE  
**Type:** TE  
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**Review Markings:**  
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